

There is a case of a day care center, Mr. Speaker, which allegedly owed the IRS \$14,000. It was raided by armed agents, who refused to release the children in the day care center until the parents pledged to give the government money.

The IRS has more employees than the Central Intelligence Agency, the Federal Bureau of Investigation and the Drug Enforcement Agency combined. Its budget makes it a bigger consumer of tax dollars than the Department of Commerce, the Department of State and the Department of Interior.

It is time that we revamped our tax system, Mr. Speaker. It is absolutely essential. We need to have tax relief, but we need to have tax simplification and clarification.

I am proud to see that the gentleman from Texas [Mr. ARMEY], the majority leader, and the gentleman from Louisiana [Mr. TAUZIN] are taking it on the road to the American people, and I invite them to come to Savannah, Georgia. I know they are going to be coming to Atlanta, but I hope they will bring it down, because we need to have a good debate and move to the direction of tax simplification right away.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

[Mr. BUYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PAUL] is recognized for 5 minutes.

[Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes.

[Mr. FOLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING ADJUSTMENT IN APPROPRIATIONS UNDER SECTION 8 OF U.S. HOUSING ACT OF 1937

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, I submit the following for the RECORD:

U.S. HOUSE OF REPRESENTATIVES,  
Washington, DC, October 6, 1997.  
Hon. NEWT GINGRICH,  
Speaker of the House of Representatives, Office of the Speaker, Washington, DC.

DEAR MR. SPEAKER: Sec. 203 of H. Con. Res. 84 requires that the Chairman of the Committee on the Budget make an adjustment "... after the reporting of an appropriation measure (or after the submission of a con-

ference report thereon) that includes an appropriation for the renewal of expiring contracts for tenant- and project-based housing assistance under section 8 of the United States Housing Act of 1937 . . . not to exceed \$9,200,000,000 in budget authority and the appropriate amount of outlays."

In July the House Committee on Appropriations reported H.R. 2158, a bill making appropriations for the Department of Housing & Urban Development, Veterans Affairs, and Related Agencies for Fiscal Year 1998 which included \$9,200,000,000 in budget authority for Section 8 housing renewals. At that time the Appropriations Committee's new discretionary allocation was increased by \$9,200,000,000 in budget authority and \$3,436,000,000 in outlays.

The conference report accompanying H.R. 2158 has been filed and the amount provided for Section 8 housing renewals has been reduced to \$8,180,000,000 in budget authority. Therefore, the amount of new discretionary budget authority allocated to the Appropriations Committee is hereby reduced by \$1,020,000,000. The revised 302(a) allocations for the Appropriations Committee and aggregate budget levels are shown on the attached table.

These adjustments shall apply while the legislation is under consideration and shall take effect upon enactment of the legislation.

The adjustments are as follows:

COMMITTEE ON APPROPRIATIONS  
[In millions of dollars]

Discretionary	Current allocation		Change		Revised allocation	
	Budget Authority	Outlays	Budget Authority	Outlays	Budget Authority	Outlays
General purpose .....	521,140	549,837	-1,020	0	520,120	549,837
Violent crime reduction trust fund .....	5,500	3,592			5,500	3,592
Total .....	526,640	553,429	-1,020	0	525,620	553,429

Aggregate levels for budget authority and outlays for fiscal year 1998 remain unchanged as follows:

[In millions of dollars]

Budget authority ..... 1,387,183  
Outlays ..... 1,372,461

Sincerely,

JOHN R. KASICH,  
Chairman.

U.S. HOUSE OF REPRESENTATIVES,  
Washington, DC, September 30, 1997.  
Hon. NEWT GINGRICH,  
Speaker of the House of Representatives, Office of the Speaker, Washington, DC.

DEAR MR. SPEAKER: Section 10114 of the Balanced Budget Act of 1997 (P.L. 105-33) requires that when an appropriations bill provides funds for an Earned Income Tax Credit Compliance Initiative there shall be an adjustment to the appropriate budgetary aggregates (subject to limitations set forth in sec 10114 of P.L. 105-33) and corresponding adjustments to the Appropriations Committee's 302(a) allocation.

COMMITTEE ON APPROPRIATIONS  
[In millions of dollars]

Discretionary	Current allocation		Change		Revised allocation	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
General purpose .....	521,002	549,706	+138	+131	521,140	549,837
Violent crime reduction trust fund .....	5,500	3,592			5,500	3,592
Total .....	526,502	553,298	+138	+131	526,640	553,429

The aggregate levels for budget authority and outlays for fiscal year 1998 are increased as follows:

The Appropriations Committee has reported the conference on H.R. 2378, the Appropriations Treasury Postal Service for FY 1998. This bill specifically provides \$138,000,000 in discretionary budget authority for FY 1998 for an Earned Income Tax Credit Compliance Initiative. The associated outlays are \$131,000,000. These amounts are within the amounts provided by section 10114 of the Balance Budget Act of 1997 (P.L. 105-33).

These adjustments shall apply while the legislation is under consideration and shall take effect upon enactment of the legislation.

The adjustments are as follows:

[In millions of dollars]

Current aggregates	Change		Revised aggregates	
	Budget authority	Outlays	Budget authority	Outlays
\$1,387,045 .....		\$1,372,330	+\$138	+\$131
			\$1,387,183	\$1,372,461

Sincerely,

JOHN R. KASICH,  
Chairman.

### THE TAX SYSTEM AND THE IRS MUST BE REFORMED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, two old duffers, about my age, I suppose, were discussing some of the exigencies of life, and one surmised, "You know, there are only two things that are certain, death and taxes." The other one thought about that for a minute and he turned around and he said, "Yeah, but there is one thing about death, it doesn't get worse every time Congress meets."

Well, I am not here to talk about death, but I do want to talk about something I have had a lot of experience with, and that is taxes. This country, above everything else that we deal with, must reform the tax system and the IRS. We have seen the horror stories, and some Members of this House have probably experienced firsthand the agonizing and humiliating process of being audited and intimidated by the Internal Revenue Service or, as Newsweek magazine calls it, the Infernal Revenue Disservice.

I have several examples, Mr. Speaker. The first is a neighbor of mine on South Whidbey Island. He was a small businessperson. We had a sharp depression. Some might call it a recession, but it was a sharp depression in the lumber areas of our country in 1981-82, and he went bankrupt. He just outright lost his business, lost his home, and he was having trouble just putting food on the table.

He was a very responsible guy. He was working at every job he could find during that time, and there were not very many, but he came home one day with a check for \$295. He immediately went to the bank and deposited it in the bank and wrote checks to some of the other small businesses to whom he owed the money.

Well, the check bounced. All his checks started bouncing. And he rushed down to the bank and he said, "What is wrong? I deposited the check." They said, "Well, what had happened was the IRS had come in and looted his bank account." They ostensibly said he owed them money, and did not even inform him. Let me repeat that. They did not even notify him. Now, how about that for an agency?

Another instance. Miami newspaperman, Daniel Heller, ran an expose of an illegal IRS spying operation back in 1973. This is old news but it is well

worth hearing. After he refused agents demands to name the key source for the information that he received for the story, the IRS mounted a full-scale investigation of him.

He was indicted for tax evasion in 1982 and imprisoned in 1987. He was freed when the U.S. Court of Appeals ruled that he had been framed. IRS agents had pressured the main witness, Heller's own accountant, to lie under oath. The IRS paid him \$500,000 to drop a lawsuit against them, and he took the money and he gave it to charity.

How about Carol Ward in Colorado? This is one that the Speaker may have seen on 60 Minutes. Her story is just as frightening. Three weeks after she insulted a local IRS agent who was auditing her son by saying that the auditor was better suited to selling chicken fried steak at a truck stop than doing the IRS business, the same agent instituted a \$325,000 emergency tax claim against her and began proceedings to seize her small chain of clothing stores and other property, which would obviously put her out of business permanently.

The IRS settled its claim against Ward eventually for \$3,500. They had levied an emergency claim for \$325,000 when only \$3,500 was due. But Mrs. Ward turned around and sued the IRS and won \$325,000 in damages. A Federal judge ruled that a grossly negligent IRS official had discussed her tax status in a letter to the newspaper.

Though the case was settled almost a year and a half ago, Ward still has not seen a dime of the money that the IRS owes her.

What we have here, Mr. Speaker, is a government bureau so out of control, so arrogant that the constitutional rights of American citizens are at risk. A bureaucracy empowered by this body operating with little oversight and robbing the citizens, our own citizens, to fill the treasury.

They say, "If it ain't broke, don't fix it." This bureaucracy is broke and we have to fix it. The answer is simple: A new tax system and a new Tax Code. I applaud my colleagues, the gentleman from Texas, Mr. DICK ARMEY, the majority leader, and the gentleman from Louisiana, Mr. BILLY TAUZIN, as they embark on a nationwide tour to get out the message that the tax system is broke and it must be fixed. Whether a flat tax or a consumption tax or whatever the idea is to rid ourselves of the burdensome IRS and get back to a Tax Code that is fair, simple and reinstalls faith in the way our government operates.

Mr. Speaker, almost 60 percent of Americans believe that their Federal income taxes are too high, almost 70 percent believes the IRS has too much

power, almost 80 percent believes loopholes allow people with the same income to pay significantly different amounts of taxes.

In summary, the IRS is out of control. The majority in this House has pledged to get rid of the IRS as we know it and completely reform the present Tax Code that is patently unfair. Most importantly, let us allow our citizens to keep a lot more of their own hard earned money.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

[Mr. WELDON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. TALENT] is recognized for 5 minutes.

[Mr. TALENT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

### CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. SOUDER] is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, I have had a number of people come up to me today and commend me on my courage, not so much for anything I have done as a Congressman directly, or said, but for wearing my Notre Dame tie today.

I think it is important that we stand with our team and our favorites, even in tough times, not just in good times. So I am proud to wear my Notre Dame tie, even though we have had one of our rockier starts, and I want to express my personal confidence in our coaches. It is a tough transition, but I know they will eventually win because we are Notre Dame.

I also wanted tonight to make a couple of other comments on campaign finance reform, but I wanted to clarify one thing first. I am afraid many Americans may get confused. This week's Time Magazine has a cover story "America's Fascination with Buddhism." And I wanted to make this clear; that our Vice President is not converting to Buddhism, and this is not about our Vice President. He does not worship in Buddhist temples, he raises money in Buddhist temples, and I thought it was important to clarify that.

I have been very upset to watch the headlines in the last few days about this administration calling on us to do campaign finance reform, because rule number one should be to enforce the